

founded with the purpose of helping to give young men a sense of self worth and satisfaction from knowing they can accomplish the goals they set and a sense that they are part of a winning team. Today, this organization continues to provide young men with values and experiences that cultivate discipline and a sense of responsibility; traits that they carry with them throughout their lives.

The Boy Scouts of America teaches values of community and service to our Nation. In the wake of such tragedies as Columbine and an increase in the number of reports of alienation of youngsters at school, we need only to turn to the Scout Oath as a fine example for what is right with our youth. Do my best, to do my duty, to God and my country, to obey the Scout Law, and to help other people at all times. These are solid values that youth should use to build a foundation for their lives. The Boy Scouts instill values that make our community much stronger: public service, volunteerism and good citizenship. Scouting develops both self reliance and teamwork.

From its beginning in 1911, the Boy Scouts have grown in size to more than 5 million active members in 1999. In the 90 years since their incorporation, the Boy Scouts have influenced more than 100 million boys, young men and women.

While much has changed in the past 90 years, the Boy Scouts remain committed to their founding principles. The Boy Scouts have strengthened efforts to provide value-based curriculum and character building youth programs. By providing youth with the tools to make good decisions and providing the clues to their own inner strength the Boy Scouts have imbued in their members a commitment to improving the world around them.

Recently, I was honored by the Central New Jersey Council of the Boy Scouts of America as their Good Scout Honoree of 1999. I am honored and inspired by their commitment to pursuing the best for the youth of our Country. As a former Scout and Assistant Scoutmaster, I share the values set forth in the Scout Law and Scout Oath. I see them demonstrated regularly when I attend Eagle Scout Courts of Honor in my district.

I thank the Scouters, volunteers and parents who contribute their time and energy to making the Boy Scouts of America a place that young men, and now young women, can turn for guidance, leadership and worthy life experiences.

The impact of Scouting on youth is truly a life changing experience. On this 90th Anniversary of Scouting, I wish the Boy Scouts of America continued success in the future as they strive to help build character and strengthen the communities around the country for the next generations of Americans.

THE FEDERAL EMERGENCY MANAGEMENT AGENCY BUY AMERICAN COMPLIANCE ACT

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 2000

Mr. COLLINS. Mr. Speaker, after a strong earthquake shook Northridge, CA, the Federal Emergency Management Agency (FEMA) made funds available to the Los Angeles De-

partment of Water and Power to improve the power system's resistance to earthquakes. A \$2 million contract for open air disconnect switches went to a foreign firm. That is not right. FEMA is subject to Buy American provisions, but there is a loophole once a grant is made. That loophole needs to be closed.

I have introduced legislation today which will apply the requirements of the Buy American Act to non-emergency Federal Emergency Management Agency (FEMA) assistance payments.

As you know, the Buy American Act was designed to provide a preference to American businesses in federal procurement. Each year FEMA awards a number of grants for non-emergency projects. Currently, the Agency adheres to the requirements of the Buy American Act. However, once the Agency awards taxpayer funds to a state or local entity in the form of a grant, that entity is not required to comply with Buy American when spending those funds. I believe this needs to be changed. Mr. Speaker, the Buy American requirements should be applied whether the federal government is directly spending the money, or whether it is passing the funds down to a state or municipality to be spent.

The Buy American Act is necessary to protect American firms from the dumping of cheap foreign-made products. Many of the nations we trade with have significantly lower labor costs than the U.S. Without the safeguard provided by the Buy American Act, foreign companies are able to underbid American companies on U.S. government contracts.

It is important to understand the Buy American Act's criteria for determining whether a product is foreign or domestic. The nation where the corporation is headquartered is irrelevant, Buy American is focused upon the origin of the materials used in the construction project. In order to be considered an American product, the product in question has to fulfill these two criteria: (1) the product must be manufactured in the United States, and (2) the cost of the components manufactured in the United States must constitute over 50% of the cost of all the components used in the item.

My proposed legislation would stipulate that taxpayer funds distributed by FEMA as financial assistance could only be used for projects in which the manufactured products are American made, according to the criteria established by the Buy American Act.

Mr. Speaker, it does not make sense that FEMA should have to comply with the Buy American Act when making an expenditure, while these same funds are somehow exempt once passed down from FEMA to another government agency. If FEMA gives a grant for a project, those taxpayer funds should still be managed according to the terms of the Buy American Act.

Mr. Speaker, I introduce this legislation in order to ensure there is consistency in the law, with regard to FEMA and the provisions of the Buy American Act. I hope the members of this House will join me in support of this pro-American measure.

HONORING RICHARD HOFFNER-MCCALL

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 2000

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise today to honor the efforts of Richard Hoffner-McCall. Richard is being named as one of our country's top student volunteers in the fifth annual Prudential Spirit of Community Awards for the year 2000.

The awards are presented through a partnership between The Prudential Insurance Company of America and the National Association of Secondary School Principals with the goal to honor and recognize outstanding community service by young people. All recipients receive a bronze Distinguished Finalist medallion from the Prudential Company at a ceremony in his/her hometown.

Richard Hoffner-McCall is among the winners from my home state of Pennsylvania. Richard is a junior at Cardinal O'Hara High School and will be given his award in his hometown of Media, PA. Richard organized a program which collected over an astounding 5,000 items to be donated to the non-for-profit organization Operation Smile that provides free facial surgeries to underprivileged children around the globe.

Mr. Hoffner-McCall should be proud to be a part of such an extraordinary group of dedicated volunteers. Richard is a stand-out citizen whose actions have made our community a better place. His generous and selfless attitude has made a positive impact on the lives of others. I applaud Richard's initiative to seek out aid for those less fortunate. I express my sincerest gratitude to him for showing that the youth of today will lead us into the future with care and concern for those less fortunate. He is a credit to his family, his community and our Congressional District.

INTRODUCING THE INSTALLMENT TAX CORRECTION ACT OF 2000

HON. WALLY HERGER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 2000

Mr. HERGER. Mr. Speaker, I am pleased today to join with my good friends and colleagues, Mr. SWEENEY and Mr. TANNER, to announce the introduction of our bipartisan legislation—the Installment Tax Correction Act of 2000.

It is no secret that small business is the engine driving our current economic success. America's small businesses provide the entrepreneurship and innovation to keep our economy moving forward. Unfortunately, many small business owners now face a tax burden which threatens to erode the value of their business and which has erected an unnecessary barrier to small business ownership. The legislation we are introducing today is necessary to correct a provision of the tax code which is imposing a serious burden on thousands of small businesses across America.

Mr. Speaker, most small business owners have chosen to use the installment sales method when selling their business because

bank financing is often not available. Under an installment sale, the buyer makes a down payment up front and pays for the rest of the business over a period of years. Such sales grant greater flexibility to both the buyer and seller and have enabled thousands of Americans, who would otherwise be unable to buy a business, the opportunity to make their dream of small business ownership a reality.

Last year the President proposed, and Congress accepted as part of larger tax package, a provision to repeal the use of installment sales for certain taxpayers. This provision appeared to target larger businesses when they sold a particular asset or assets. Small business groups, Congress, and even the administration did not expect the serious effect this provision would have on small businesses across America. Unfortunately, the unintended consequences are now a reality and it is our job to fix the problem. Our legislation will do just that, by once again allowing businesses to make use of installment sales.

Mr. Speaker, this is not a theoretical discussion. The burden being felt by small business owners across America is all too real. It is affecting taxpayers such as Harold and Mary Owens who own a small family business in my district in Redding, CA. They have built up their business through 12 years of hard work and are counting on the sale of this business to provide for their retirement. To pull the rug of retirement security out from under them at this time is simply wrong. And this is just one example out of the thousands of businesses each year which will see the value of their businesses eroded if our legislation is not enacted.

I was hopeful that the President would propose a solution to this problem in his fiscal year 2001 budget, released just yesterday. While I am disappointed that the President's budget does not address this important issue, I remain hopeful that all of us—both Republican and Democrat—will work with the administration to fix this situation on behalf of our Nation's small businesses.

I am pleased by the support our effort has received so far. The legislation we are introducing has more than 70 bipartisan cosponsors. Furthermore, a coalition of more than 50 groups—including the National Federation of Independent Business, the US Chamber of Commerce, the National Association of Realtors, and the National Taxpayers Union, among others—has made enactment of our legislation a top priority this year.

Mr. Speaker, we owe it to small businesses and women across America to have a tax code which treats them fairly. It is imperative that we pass the Installment Tax Correction Act this year, and I urge all my colleagues to join this worthy, bipartisan effort.

WORKPLACE GOODS JOB GROWTH AND COMPETITIVENESS ACT OF 1999

SPEECH OF

HON. TOM BLILEY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 2, 2000

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2005) to establish

a statute of repose for durable goods used in a trade or business:

Mr. BLILEY. Mr. Chairman, I rise in support of H.R. 2005, the Workplace Goods Job Growth and Competitiveness Act.

As Chairman of the Commerce Committee, I have worked on numerous liability reform bills to try to bring some balance and fairness back into our legal system. Lawsuits continue to be filed at a record pace. But consumers somehow are still ending up with the short end of the stick as they pay more and more money in legal fees and higher product prices, while the trial lawyers run around the country searching for ever higher payoffs and contingency fees to line their own pockets. Unfortunately, our basic values of responsibility and integrity have been left behind in this race to the courthouse.

H.R. 2005 establishes critical protections for American manufacturing jobs by establishing a uniform guarantee for durable goods used in the workplace. It says that manufacturers have to stand behind their product for 18 years. After that, responsibility for using the product passes to the product owner to determine the further useful life of the product. The bill only applies where the plaintiff is eligible for workers compensation, essentially transferring liability for a durable good from the manufacturer to the product owner after the 18 year time period.

Nineteen States have a shorter time period for product life cycles, varying from State to State. Thirty-One States haven't yet enacted liability limits, although several of these States that have tried have watched them be struck down by the Courts as not within the power of the State legislatures. This creates a crazy patchwork of laws for a company trying to sell nationwide—a patchwork full of loopholes allowing enterprising trial lawyers to forum shop for the State with the weakest laws. This is an abuse and corruption of our legal system, which only Congress has the power to restrain.

The Japanese and the European Union have set a 10 year liability time limit on the useful life of their durable goods—guaranteeing only half the useful life for their products that we are allowing. But without this bill, Japanese and European manufacturers that are new entrants into the American market won't have the same long tail liability exposure as American companies. This means that they pay less for claims-made liability insurance, giving them an unfair competitive advantage, taking jobs away from Americans and transferring them overseas. We can not allow this to continue.

In addition to the 19 States and our foreign competitors who have recognized the need for a limit on a product's useful life, we have a proven track record in Congress of success in enacting uniform liability reforms. In 1994, Congress established a similar 18 year time limit on liability to save jobs in the aviation industry. We had the same doom and gloom predictions from many Members back then that the sky was falling for worker protection, but guess what—the law works well, it revitalized a disappearing industry, and it has earned wide scale support over the last five years. In fact, that bill, with the same type of liability limit that we're talking about today, created over 25,000 new jobs in the aviation industry alone. I would rather protect the hard working wage earners of America than the

contingency fee jackpot hopes of a few trial lawyers.

Despite the claims you heard in the debate on this bill, no worker will be denied compensation as a result of this reform. The liability limits only apply where the plaintiff has full access to workers compensation. The critics of the bill aren't talking about compensation, they are talking about punishing companies by pushing them into bankruptcy for something that was made generations ago by workers long since retired. The trial lawyers don't ever want a business to be able to limit the life-span of a product. They don't want businesses to be able to say that after 18 years the responsibility for determining whether a product is safe should rest with the product owner. Responsibility is a dirty word to these people because it eliminates potential deep pockets that they can go after to extort settlement money. Keep in mind that this bill doesn't in any way limit the responsibility or liability of the employer—it only takes away the deep pocket manufacturer after 18 years from a product's first sale. Many of the Members who have opposed this simple notion of responsibility have opposed every single effort at liability reform in Congress.

Last November, our Committee agreed to discharge this bill to bring it to the floor as quickly as possible. We recognized the importance of protecting American jobs and bringing fairness and responsibility back into our legal system.

This bill was taken from legislation negotiated in previous years on a bipartisan, bicameral basis with the Administration. The provisions are the result of years of bipartisan work by the Commerce Committee and the Judiciary Committee on legal reform. Past product liability bills containing these provisions have received strong majorities in both Houses.

I thank the gentleman from Ohio for his work in bringing this piece of the product liability bill forward, and urge your support for its passage.

WE ALL HAVE A RESPONSIBILITY IN THE FIGHT AGAINST DRUGS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 2000

Mr. GILMAN. Mr. Speaker, at today's important international drug summit conference sponsored by you, along with the United Nations Drug Control Program (UNDCP), I had the opportunity at the morning session to raise the issue of the world's contribution to the U.N. in our fight against the scourge of illicit drugs.

Regrettably, when we examine the record of contributions to the UNDCP, we observe that less than 25 nations and the European Commission contribute less than \$75 million annually to help fight an illicit narcotics trade estimated to produce \$400 billion annually.

The list of those helping this very modest UNDCP program, the glaring absence, for example, of any Middle East nation making contributions to help fight drugs, is noteworthy and disappointing.

Attached for the RECORD is the latest data on the contributions by the producer, transit or